

February 2012

## Highlights

Internal Audit Report to the  
Board of Supervisors

### Why We Did This Review

Every three years, Arizona courts are required to have an independent Minimum Accounting Standards (MAS) review.

The MAS review is an Agreed-Upon Procedures engagement in which an independent accountant performs standard audit procedures set forth by the Supreme Court of Arizona, Administrative Office of the Courts (AOC).

Minimum accounting standards were developed to standardize accounting practices and procedures, and to assist court personnel in bringing financial operations into compliance with statute and generally accepted accounting principles (GAAP).

Our review assists the AOC in evaluating each court's compliance with MAS. The AOC is responsible for following up on all exceptions.

We conducted this review as part of our FY 2012 Board-approved audit plan. Our work was performed in accordance with generally accepted government auditing standards, as well as standards established by the American Institute of Certified Public Accountants.



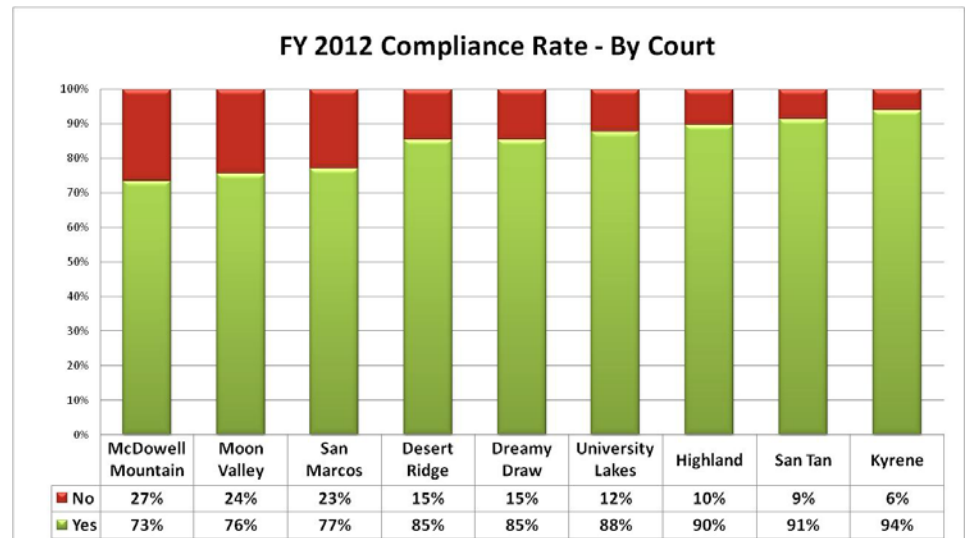
For more information, please contact  
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## Justice Courts Accounting Review

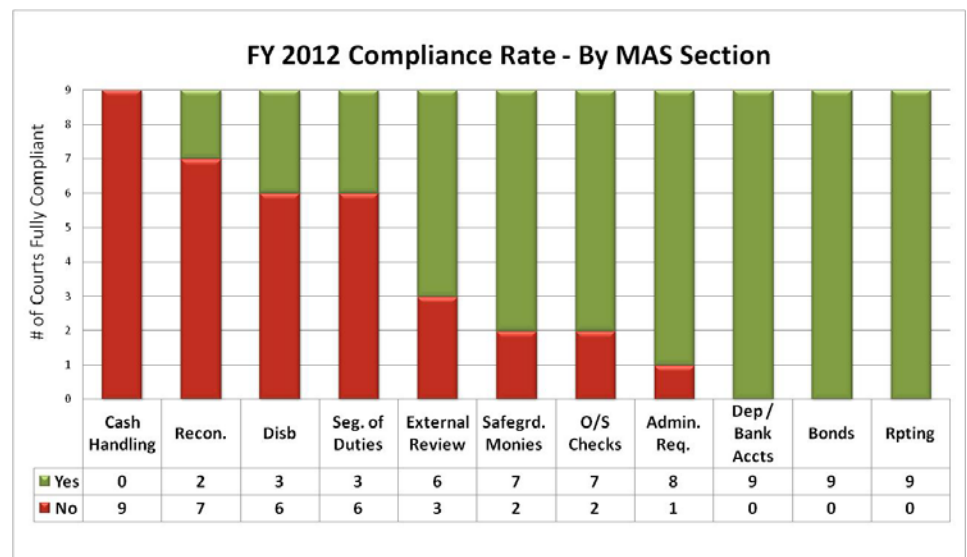
### Minimum Accounting Standards (MAS) Agreed-Upon Procedures Review

### What We Found

We reviewed the nine justice courts listed in the chart below. MAS compliance rates by court ranged from a low of 73% at McDowell Mountain to a high of 94% at Kyrene.



The following chart shows the 11 MAS areas reviewed, along with the number of courts not fully compliant in each area (depicted in red). As shown, most exceptions were related to cash handling, reconciliations, disbursements, segregation of duties, external reviews, and safeguarding of monies. These types of exceptions increase the risk that errors and/or fraud could occur and go undetected.



We appreciate the excellent cooperation received from Justice Court management and staff while conducting this review.

*"Do the Right Things Right!"*

Maricopa County Internal Audit Department